

# House File 2093 - Introduced

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## A BILL FOR

1 An Act relating to a tax credit for pollution-control and  
2 recycling property connected to property used for the care  
3 and feeding of livestock, and including effective date and  
4 applicability provisions.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 427.1, subsection 19, paragraph e,  
2 subparagraph (1), Code 2018, is amended to read as follows:

3 (1) For the purposes of ~~this subsection, "pollution-control~~  
4 ~~property"~~ subsection:

5 (a) "Pollution-control property" means personal property or  
6 improvements to real property, or any portion thereof, used  
7 primarily to control or abate pollution of any air or water of  
8 this state or used primarily to enhance the quality of any air  
9 or water of this state and "recycling property" means personal  
10 property or improvements to real property or any portion of  
11 the property, used primarily in the manufacturing process and  
12 resulting directly in the conversion of waste glass, waste  
13 plastic, wastepaper products, waste paperboard, or waste wood  
14 products into new raw materials or products composed primarily  
15 of recycled material. In the event such property shall also  
16 serve other purposes or uses of productive benefit to the owner  
17 of the property, only such portion of the assessed valuation  
18 thereof as may reasonably be calculated to be necessary for  
19 and devoted to the control or abatement of pollution, to the  
20 enhancement of the quality of the air or water of this state,  
21 or for recycling shall be exempt from taxation under this  
22 subsection.

23 (b) "Pollution-control property" or "recycling property"  
24 does not include property used for purposes related to the  
25 care and feeding of livestock as defined in section 169C.1,  
26 except for property which is eligible for a family farm tax  
27 credit as provided in chapter 425A. The exemption calculated  
28 for pollution-control property or recycling property used for  
29 the purpose of care and feeding of livestock and which is  
30 eligible for a family farm tax credit is limited to the first  
31 one hundred thousand dollars of the property's assessed value.

32 Sec. 2. EFFECTIVE DATE. This Act takes effect January 1,  
33 2019.

34 Sec. 3. APPLICABILITY. This Act applies to tax years  
35 beginning on or after January 1, 2019.

1 EXPLANATION

2 The inclusion of this explanation does not constitute agreement with  
3 the explanation's substance by the members of the general assembly.

4 This bill amends Code section 427.1, which provides a  
5 number of exemptions from property taxation. The Code section  
6 includes an exemption for certain types of pollution-control  
7 and recycling property as certified by the department of  
8 natural resources. The bill limits this tax exemption for such  
9 property that is related to the care and feeding of livestock  
10 by requiring that the property used for the care and feeding  
11 of livestock must be eligible for a family farm tax credit  
12 under Code chapter 425A. The bill also provides that the tax  
13 credit still available is limited to the first \$100,000 of the  
14 property's assessed value. The bill takes effect January 1,  
15 2019, and is applicable for tax years beginning on and after  
16 that date.